

# SENATE BILL REPORT

## SHB 1880

---

---

As Reported By Senate Committee On:  
Higher Education, March 19, 2007

**Title:** An act relating to creating the skills-based economic growth program.

**Brief Description:** Creating the skills-based economic growth program.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Wallace, Anderson, Ormsby, Buri, Curtis, Haigh, Priest, Armstrong, Jarrett, Roberts, Kenney, Conway, Morrell and Wood).

**Brief History:** Passed House: 3/07/07, 96-0.

**Committee Activity:** Higher Education: 3/15/07, 3/19/07 [DPA-WM].

---

### SENATE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators Shin, Chair; Kilmer, Vice Chair; Delvin, Ranking Minority Member; Berkey and Schoesler.

**Staff:** Aldo Melchiori (786-7439)

**Background:** Congress passed the Workforce Investment Act (WIA) of 1998 to prepare youth, dislocated workers, and adults for entry into the labor force, and to provide for the planning, implementation, and ongoing oversight of a comprehensive state workforce development system. Executive Order 99-02 established the Workforce Training and Education Coordinating Board (WTECB) as the state Workforce Investment Board for the federal act. The same executive order created 12 local Workforce Development Councils (WDCs), based on the workforce investment areas configured under WIA's predecessor, the Job Training Partnership Act.

Each WDC has a board of directors in which business representatives must constitute at least 51 percent of the membership. Other required members include labor, education, economic development agencies, and community-based organizations. Additional membership depends on whether the WDC was a newly formed council, or grandfathered in from a pre-existing council.

**Summary of Substitute Bill:** The Legislature authorizes a program under which WDCs serve as the lead regional workforce development planning organizations within their regions. Each WDC convenes workforce and economic development-related organizations and educational institutions that provide services within its region, and adopts a consensus

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

skills-based economic growth plan for the region that includes: (1) data on current and projected employment opportunities in the local area; (2) identification of workforce investment needs of businesses; (3) identification of the needs of job seekers and workers in the local area; (4) analysis of the industry demand, potential labor force supply, and educational, employment, and workforce support available to businesses and job seekers in the region; (5) development of industry cluster-based strategies; (6) identification of the needs of those clusters; (7) recommendations for the most efficient use of existing workforce infrastructure and funding to maximize service to individuals and industry; and (8) creation of a financial plan demonstrating how the regional workforce plan can be implemented. The skills-based economic growth plans must be adopted within each region by November 30, 2008, and approved by the WTECB by February 15, 2009. Each Program will collect data and produce a report showing the amount of new funding brought into the community as a result of the skills-based economic growth planning process; training capacity expansion achieved in programs targeted by the plan; impact on local economic growth; and the impact on career opportunities for local residents.

**EFFECT OF CHANGES MADE BY RECOMMENDED AMENDMENT(S) AS PASSED COMMITTEE (Higher Education):** The Workforce Board allocates grants on a competitive basis to establish and support Industry Skill Panels. Workforce development councils, community and technical colleges, economic development councils, private career schools, chambers of commerce, trade associations, and apprenticeship councils may apply for grants. Applicants must provide an employer match at least 25 percent to be eligible. Industry Skill Panels identify strategies and solutions addressing workforce skill needs. The Board establishes standards that identify the expectations for Skill Panel products and services. Continued funding depends upon meeting the standards. The Board reports results annually to the Governor and Legislature.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This effort will help us come together and coordinate our efforts. It will result in more services directly provided to students and employers. Each WDC region will consult with economic partners to identify key priorities and coordinate the delivery of services. The plans will be regionally focused. It will particularly benefit businesses that are just getting started and do not have the time or expertise needed to recruit good employees. Efforts are being made to do this now, but without adequate funding.

**Persons Testifying:** PRO: Representative Wallace, prime sponsor; Wes Pruitt, Workforce Training and Education Coordinating Board; John Loyle, Pacific Mountain Workforce Development Council; Bob Brown, Westport Shipyard Inc.; Sue Ambler, Workforce Development Council of Snohomish County; Tim Probst, Washington Workforce Association; Bob Guenther, IBEW 77.